

HCS#2 HB 1153 -- CREDIT HISTORY USE BY EMPLOYERS

SPONSOR: Pace

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Rules by a vote of 11 to 0.

This bill prohibits an employer or an agent, representative, or designee of an employer from requiring an employee or prospective employee to consent to a request for a credit report that contains information about the employee's or prospective employee's credit score, credit account balances, payment history, savings or checking account balances, or savings or checking account numbers as a condition of employment unless:

- (1) The employer is a financial institution as defined in the bill;
- (2) The report is required by law;
- (3) The employer reasonably believes that the employee has engaged in specific activity that constitutes a violation of the law related to the employee's employment; or
- (4) The report is substantially related to the employee's current or potential job as defined in the bill, or the employer has a bona fide purpose for requesting or using information in the credit report that is substantially job-related and is disclosed in writing to the employee or applicant.

An employee or prospective employee may file a complaint with the Department of Labor and Industrial Relations alleging a violation of the provisions of this bill. The department must conduct an investigation within thirty days after the filing of the complaint, and must render its findings. If the findings warrant, the department must hold a hearing to determine if a violation has occurred.

PROPOSERS: Supporters say that the connection between a prospective employee's job performance and that person's credit history is tenuous at best.

Testifying for the bill was Representative Pace.

OPPOSERS: There was no opposition voiced to the committee.